



## NEWS RELEASE

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# **Iowa Finance Authority Awards City of Mount Pleasant \$1 Million Low-Interest Loan for Workforce Rental Housing**

## ***Mount Pleasant to Benefit from Workforce Housing Loan Program***

Des Moines – The Iowa Finance Authority Board of Directors recently approved a \$1 million low-interest loan to the City of Mount Pleasant for the development of new workforce rental housing. The award was made through the Workforce Housing Loan program, which provides financial assistance in the form of low-cost repayable loans to cities and counties.

“Iowa has one of the lowest unemployment rates in the country, which often translates to an increased demand for workforce housing in Iowa communities,” said Iowa Finance Authority Executive Director Dave Jamison. “The Iowa Finance Authority created the Workforce Housing Loan program to provide communities with an affordable and flexible financing option to allow them to meet these growing needs and I commend the City of Mount Pleasant for using the program to provide additional homes for their workforce.”

The City of Mount Pleasant will use the \$1 million Workforce Housing Loan to assist in the construction of the Heather Branch Estates, which will include 24 rental units, including 12 fully accessible units. Rents are anticipated to be \$625 per month for one-bedroom units, \$750 for two-bedroom units and \$900 per month for three-bedroom units.

“The City of Mount Pleasant strives to provide residents with rental housing options to allow them to live in close proximity to their jobs,” said Mount Pleasant City Administrator Brent Schleisman. “We know that Henry County needs an additional 900 housing units in the next five years to meet demand and this property will get us one step closer to meeting the need for workforce housing in our community.”

The Workforce Housing Loan Program has leveraged an additional \$9.8 million in other financing sources or \$3.32 for every dollar of Workforce Housing Loan Program funding.

The Iowa Finance Authority accepts Workforce Housing Loan Program applications on ongoing basis until funds are exhausted. Application considerations included annual job growth, local contributing financial effort, employer investment in the proposed workforce housing project and others. The loans have a one percent interest rate with a maximum term of twenty years.

*The Iowa Legislature created the Iowa Finance Authority in 1975 to undertake programs to assist in the attainment of housing for low- and moderate-income Iowans. Since then, the Iowa Finance Authority's role has grown to include nearly 40 affordable housing, water quality and beginning farmer programs. The Iowa Finance Authority is a self-supporting public agency whose mission is to enhance the quality of life for Iowans.*